

FISCAL IMPACT STATEMENT ON BILL NO. **H.3447, as Amended**

(Doc. No. 20115sd07.doc)

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| TO: | The Honorable David Thomas, Chairman, Senate Banking and Insurance Committee | | |
| FROM: | Office of State Budget, Budget and Control Board | | |
| ANALYSTS: | Kenneth Brown, Beth Campbell | | |
| DATE: | March 12, 2007 | SBD: | 2007195 |

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| AUTHOR: | Representative Cato | PRIMARY CODE CITE: | Joint Resolution |
| SUBJECT: | Property and Casualty Insurance Crisis Committee | | |

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

The Bill, a Joint Resolution, would establish a study committee to examine the property and casualty insurance crisis facing owners of real property situated in counties bordering the Atlantic Ocean, provide for the membership, powers, duties and functions of the committee, and that the committee shall submit its report and recommendations by April 1, 2007.

EXPLANATION OF IMPACT:

The Senate and the House of Representatives

The Legislature indicates there will be an additional cost for the proposed Bill. The committee will consist of 6 members with 2 legislators and 4 non-legislators. The cost per legislator per one-day meeting is \$235 per person, and the cost per non-legislator per one-day meeting is \$190. The total cost will be \$1,230 per one-day meeting.

Department of Insurance

Enactment of this Bill may result in additional expenditures for the Department depending on the request for information and needs of the Committee. The Department may not have the capacity to cover these additional costs within existing resources if it involves bringing in credential actuaries and other experts such as structural engineers, climatologists etc., to address the committee on the coastal property insurance issues.


LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget